



Ninety-Ninth Legislature - First Session - 2005
Introducer's Statement of Intent
LB 502

Chairperson: Ron Raikes
Committee: Education
Date of Hearing: January 31, 2005

The following constitutes the reasons for this bill and the purposes which are sought to be accomplished thereby:

LB 502 proposes a size adjustment factor for the purposes of distributing state aid to school systems with the intent of recognizing justifiable cost per pupil differences based on school size.

The calculation of the factor is based on the creation of the highest allowable cost factor. This is determined by calculating a minimum cost per adjusted formula student (the average cost per adjusted weighted formula students [AWFS] of schools with over 900 AWFS) and a maximum cost per AWFS (average cost per AWFS of schools between 250 and 350 AWFS). The maximum is divided by the minimum to calculate the highest allowable cost factor.

The Straight Line Adjustment Factor is calculated by dividing the highest allowable cost factor (minus 1) by 600 (plus 1). The straight line adjustment factor is then multiplied by 900 minus each systems adjusted weighted formula students.

Each systems individual factor is then multiplied by the standard cost grouping cost. This figure becomes the individual system's cost per adjusted weighted formula student and is multiplied by the system adjusted weighted formula students to determine need.

Principal Introducer: _____
Senator Elaine Stuhr